DOCUMENT RESUME

ED 250 520 CE 040 045

TITLE	The Vocational Education Act of 1984. Report Together with Additional and Supplemental Views to Accompany S. 2341. Senate, 98th Congress, 2d Session.
INSTITUTION	Congress of the U.S., Washington, D.C. Senate Committee on Labor and Human Resources.
REPORT NO	Senate-R-98-507
PUB DATE	7 Jun 84
NOTE	43p.
PUB TYPE	Legal/Legislative/Regulatory Materials (090)
EDRS PRICE	MF01/PC02 Plus Postage.
DESCRIPTORS	Compliance (Legal); Disabilities; Disadvantaged; Educational Finance; *Educational Legislation; *Educational Philosophy; *Educational Policy; *Federal Legislation; Federal Programs; Federal Regulation; Federal State Relationship; Hearings; Laws; Minority Groups; Policy Formation; Postsecondary Education; Secondary Education; *State Federal Aid; State Programs; *Vocational Education; Womens Education
IDENTIFIERS	Vocational Education Act 1976; *Vocational Education Act 1984

ABSTRACT

This document is a report of the U.S. Senate Committee on Labor and Human Resources on the Vocational Education Act of 1984 (S. 2341). The report is organized in nine sections. The first three sections introduce the bill, provide background information on its intent and on the legislation that it was designed to replace (the Vocational Education Act of 1976), and provide a rationale for the new legislation. The fourth section explains the general intents and provisions of the bill; the fifth and sixth sections include statements of the legislation's expected impact on the regulatory process and on families. The seventh section contains an estimate of the cost of implementing the proposed legislation, while the eighth section, the largest section of the report, explains the proposed legislation section by section. Additional and separate views of some committee members are presented in the final section. (The Senate committee recommended passage of S. 2341 and reported it out of committee for consideration by the full Senate.) (KC)

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Calendar No. 914

98TH CONGRESS
2d Session

SENATE

REPORT
98-507

ED250520

THE VOCATIONAL EDUCATION ACT OF 1984

JUNE 7 (legislative day, JUNE 6), 1984.—Ordered to be printed

Mr. HATCH, from the Committee on Labor and Human Resources, submitted the following

REPORT

together with

ADDITIONAL AND SUPPLEMENTAL VIEWS

[To accompany S. 2341]

The Committee on Labor and Human Resources, to which was referred the bill (S. 2341) to authorize a program to enhance the access to and the quality of vocational education, and for other purposes, having considered the same, reports favorably thereon, with amendments, and recommends that the bill, as amended, do pass.

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I. INTRODUCTION

Beginning with the publication of "A Nation At Risk," the report of the National Commission on Excellence in Education, the national spotlight has focused intensely on quality in American education. Vocational education has been judged variously by the numerous similar studies on educational quality which followed "A Nation at Risk." Amid this debate on the future of American education, S. 2341 is both a vote of confidence in vocational education and a means for advancing it into the future.

Some reports have questioned the utility and wisdom of vocational education. In "The Paideia Proposal: An Education Manifesto," Mortimer J Adler wrote:

> That kind of specialized or particularlized job training at the level of basic schooling is in fact the reverse of something practical and effective in a society that is always changing and progressing.

Other publications, while less harsh in their criticism than was the "Paideia Proposal," made assessments of vocational education which more closely resembled the findings of "High School," prepared by the Carnegie Foundation for the Advancement of Teaching. In calling vocational education "an unfulfilled promise," the authors of "High School" made this critique:

> Many factors have caused us to doubt the value of traditional vocational education. The first is the tenuous link to job opportunties. Time and time again, we heard school officials praise their vocational programs; yet, when pressed about the employment patterns of their graduates, these same administrators became defensive. Most high schools have little or no information about what their vocational education graduates are doing.

The Committee, recognizing the seriousness of these criticisms, agrees more with the endorsement contained in "Education for Tomorrow's Jobs," a document prepared by the Committee on Vocational Education and Economic Development in Depressed Areas. This study, conducted under the auspices of the National Research Council, concluded:

> Quite the contrary, vocational education courses or programs can help students acquire occupational skills—which virtually all will need, at least in the most general sense. Most people will work at some time during their lives, even if they do not plan to do so immediately after high school. They should at school age be introduced to the variety of employment options available in the American economy and receive guidance on how to find appropriate jobs, how to apply for jobs, how to behave in a work setting, and how to upgrade their skills if they need to.

Vocational education has stood the test of time. In fact, vocational educational legislation has been an enduring commitment at the federal level since the enactment of the Smith-Hughes Act in 1917. This commitment should continue.

Yet, vocational education, positioned on the cutting edge of technological change in the workplace, must not stand pat. To perpetuate outmoded practices in the face of these changes would be to create a vocational system unresponsive to the needs of both employers and the students who invest their trust in the education they receive.

Therefore, S. 2341 is designed to assist vocational education in its move into tomorrow.

II. LEGISLATIVE CONSIDERATION

S. 2341 was introduced on February 23, 1984, by Senator Stafford, for himself, and Senators Pell, Hatch, Weicker, Kennedy and Dodd. It was a product of eight oversight hearings on vocational education held over both the 97th Congress and the 98th Congress.

S. 2341 was referred to Subcommittee on Education, Arts and Humanities, which ordered the bill reported with amendments to the Committee on Labor and Human Resources on March 1, 1984.

On May 2, 1984, the Committee met to consider S. 2341 and reported it, with amendments, by a vote of 17 to 0, with one member not voting.

AMENDMENTS

The following amendments were acted on by the Committee:

1. An amendment by Senator Hatch to make numerous changes in S. 2341 as reported by the Subcommittee. The amendment was agreed to without objection.

2. An amendment by Senator Hatch creating a National Employers Council on Vocational Education. The amendment was agreed to without objection.

3. An amendment by Senator Hawkins defining the eligibility for participation in the program for single parents and homemakers. The amendment was adopted without objection.

4. An amendment offered by Senator Stafford on behalf of Senator Grassley to include job placement as an eligible activity in vocational education. The amendment was adopted without objection.

5. An amendment offered by Senator Quayle modifying the criteria for allocating the funds set-aside for the handicapped and disadvantaged. The amendment would enable states to allocate a portion of those funds to eligible recipients based on the projected increases in handicapped and disadvantaged enrollment in vocational education except that eligible recipients serving these populations equitably would not be penalized. The amendment was accepted without objection.

6. An amendment offered by Senator Quayle to permit States (1) to shift funds from Title II (providing services to improve access) to Title III (program improvement) provided that the funds shifted will serve populations which are underserved or have special needs or (2) to shift funds among the target groups (except the handicapped) to meet differing state needs. The amendment was defeated with 6 ayes and 12 nays. The vote was as follows:

AYES	NAY
Quayle	Hatch
Nickles	Stafford
Denton	Weicker
Grassley	Hawkins
East	Kennedy
Thurmond	Randolph
	Pell
	Eagleton
	Riegle
	Metzenbaum
	Matsunaga
	Dodd

7. An amendment by Senator Kennedy to authorize a bilingual vocational education program at $3.7 million. The amendment was agreed to without objection.

8. An amendment by Senator Kennedy extending the authorization of the Women's Educational Equity Act. The amendment was agreed without objection.

9. An amendment by Senator Kennedy to create a National Summit Conference on Education. The amendment was agreed to without objection.

10. An amendment by Senator Randolph to place a representative of special education on the State Council on Vocational Educaiton. The amendment was agreed to without objection.

The vote to report S. 2341 to the Senate was recorded as follows:

AYES	NOT VOTING
Hatch	Nickles
Stafford	
Quayle	
Denton	
Weicker	
Grassley	
East	
Hawkins	
Thurmond	
Kennedy	
Randolph	
Pell	
Eagleton	
Riegle	
Metzenbaum	
Matsunaga	
Dodd	

III. RATIONALE FOR LEGISLATION

In the Education Amendments of 1976 (P.L. 94-482), Congress directed the National Institute of Education to undertake "a thorough evaluation and study of vocational education programs conducted under the Vocational Education Act of 1963." The results of this mandate were contained in "The Vocational Education Study: The Final Report," which was transmitted to Congress in October, 1981.

The report, hereafter referred to as the NIE Report, reached several conclusions. The central conclusion was:

> The Vocational Education Act of 1963, as amended, attempts to accomplish too much with too few resources.

In the Committee's view, this finding had profound implications for federal policy as the reauthorization of VEA approached.

Other conclusions highlighted in the NIE Report included:

> There are sometimes mismatches between the ends of federal policy and the means relied upon to realize them;
>
> the 1976 Act is prescriptive in the processes and procedures it requires but permissive in what it allows the states to do with federal funds;
>
> encouraging change and improvement in the Nation's vocational education enterprise is a key purpose of federal policy, but the VEA lacks effective provisions for achieving this objective.

Many other, more detailed judgments are made in the NIE Report, but taken as a whole, these findings lead to the inescapable conclusion that the current VEA, by attempting too much, stands for too little.

This perception is further reinforced by considering the funding profile for vocational education juxtaposed alongside the changing legislative requirements for VEA since its enactment in 1963.

For instance, in fiscal year 1966, the federal share of vocational spending nationwide (including state and local spending) was 29 percent. Yet, by fiscal year 1980, the federal share had diminished to 9.4 percent. The decline in the federal share was attributable to the significant increase in state and local spending for vocational education. Whereas state and local spending was estimated at $566 million in fiscal year 1966, it climbed to roughly $6.1 billion in fiscal year 1980.

While state and local spending was rising dramatically and the federal share of the vocational pie was declining relatively, the expectations and the requirements embodied in VEA proliferated. VEA underwent major amendment in both 1968 and 1976, and each time provisions were added that required active state and local compliance.

The assumptions about what the federal Act should do grew out of proportion to the share of spending the federal government was willing to shoulder. As the spending and legislative histories of VEA demonstrate, more and more was expected from that law while relatively less and less was contributed to finance these expectations.

S. 2341 was developed against this backdrop. Therefore, its major purpose is to correct the lack of specific direction in the current law and to clearly focus the federal role in vocational education.

Thus, S. 2341 rests upon two pillars: access and quality. In the Committee's view, the federal vocational law must unmistakably point to the need to open up vocational education to groups that are traditionally underserved and to provide resources which would result in the improvement and modernization of vocational education programs.

Access

The educational activities of each level of government within the federal intergovernmental system differ. Most often, the division of labor in education is described in this manner: education is a federal concern, a state responsibility and a local function.

That federal concern is manifested many ways, but the most characteristic and widely accepted role for the federal government in education is to promote access to and equality in education. The federal emphasis on access and equity results not so much from a natural predisposition to these goals but more from the recognition, at the time the federal role in education was increasing, that too many states and localities where failing to offer equal educational opportunities to students who were disadvantaged or handicapped. The two largest federal programs serving elementary and secondary education—Chapter I and P.L. 94-142—address directly this aspect of the federal role in education. The Vocational Education Act of 1963, as amended, while including equity provisions, only partially reflects these goals.

In contrast to Chapter I and P.L. 94-142, VEA serves the broad student population. In this respect, it must address needs other than equity issues. Still, access remains a key component of current law, and the Committee has been troubled that the law's equity components have met with difficulty in implementation and have not fully resulted in improving access for underserved populations to vocational education.

The NIE Report correctly analyzed the current status of the equity provisions:

> . . . although Congress made it clear that one of its chief priorities for vocational education was to increase access for women and individuals with special needs, and while the theme of equity pervades the law, much is authorized and relatively little required. In short, while the 1976 amendments strengthened some of the equity instruments in the VEA, they also continued to give the States a great deal of discretion over whether or not they would further this goal of the law. Technically speaking, States and localities could be in compliance with the letter of the law while choosing to ignore its intent.

The Committee considered very seriously the implications of this finding. And, while the equity provisions in S. 2341 are based in large part on this conclusion, the Committee also drew upon past concern over equity expressed by previous Congresses in order to strengthen the programs serving the underserved.

For instance, as early as 1963, when the original VEA was written, Congress included incentives to encourage greater participation of underserved populations in vocational education. Yet, when Congress undertook the 1968 amendments to VEA, it found that the states for the most part, had not responded to these incentives. Roughly 2 percent of VEA funding under the 1963 Act had been spent on programs for students with special needs.

In 1968, Congress sought to remedy this problem through the introduction of the set-aside as a policy device in vovational educa-

tion. Even with the institution of the set-aside, congressional dissatisfaction with the unresponsiveness of vocational education to the needs of the underserved remained unabated. In 1976, Congress concluded that little progress had been made toward ensuring equal opportunity for women, the handicapped, disadvantaged and limited English-speaking individuals.

Again, in 1984, concern exists despite demonstrable progress which has been made in services to the underserved. Between the 1975–76 school year and the 1980–81 school year, handicapped enrollments in vocational education increased 96 percent. Yet, considering the relatively low enrollment previously, almost any enrollment increase would represent a large percentage increase. Also, according to information supplied by the National Center for Education Statistics, handicapped enrollment as a percentage of the total enrollment in grades 9–12 was 9.5 percent in 1980–81 while the handicapped comprised only 3.3 percent of total vocational enrollment in 1980–81.

The lagging compliance in some states with the spirit of the equity provisions was underscored by Kathleen Finck, representing the Vermont Vocational Association, who testified that, for fiscal year 1982, "the 10-percent set-aside for the handicapped will be the only dollars spent on this population by local districts or the Vermont Division of Vocational Education."

Furthermore, even when monies are spent on populations with special needs, it is too often the case that these individuals are shunted into programs that are inferior in quality to those vocational programs which prepare students best for employment.

In a report submitted to the Committee, Dr. Rupert N. Evans of the University of Illinois wrote:

> Still, vocational education "creams" its applicants. Whenever there are more applicants than there are training slots (as there often are), the "better" students are likely to be selected. Many of the rejected become dropouts, and a disproportionate percentage become CETA clients. The more acceptable a program is to employers, the more likely it will have a good placement record, an excess of applicants, and a high level of "creaming."

Given these occurrences, the Committee believes that a significant portion of S. 2341 must be devoted to increasing opportunities for the underserved populations. In fact, the Committee's resolve is shared by others. For instance, the Council of Chief State School Officers recommended in its testimony that "the total proportion of federal funds used to serve special populations should gradually reach 60 percent of the federal appropriation."

Therefore, the major funding programs incorporated in S. 2341—Title II (programs for Vocational Opportunities) and Title III (Vocational Education Program Improvement, Innovation and Expansion)—are balanced 50/50 to ensure a healthy investment both in program improvement and in the needs of the underserved.

Finally, beyond the funding issue, the Committee has sought to resolve the criticism that "much is authorized little required." S. 2341 incorporates numerous provisions detailing the kinds of services to be provided to the underserved. In particular, it sets out cri-

teria for services to the handicapped and the disadvantaged to ensure that these populations will be provided with information about vocational education opportunities, access to quality programs, services designed to meet their special needs, and counseling services aimed at helping them succeed in vocational education and in the workplace.

Program Improvement

Vocational education is one educational discipline that is extremely sensitive to the need to update and modernize its curricula and equipment to keep pace with the technological revolution. It is also one area that stands to lose the most if it cannot or does not improve its programs to respond to the changing needs of the modern workplace.

Testimony after testimony presented to the Committee highlighted the need for program improvement support. As Dr. Gene Bottoms, Executive Director of the American Vocational Association, testified:

> Vocational education programs are experiencing significant difficulties in keeping programs current with the requirements of the workplace.

He added:

> It costs less simply to maintain a vocational education program no longer needed than to make the investment in new instructional equipment, curriculum and faculty, and many institutions are doing just that.

The Committee is troubled by the evidence which shows vocational education falling farther and farther behind the requirements of the contemporary workplace and fears that, if this trend continues, vocational education itself will be endangered by obsolescence.

In examining why program moderization is not occurring as rapidly as it should, the Committee isolated several reasons. First, and most obvious, modernization is expensive. Second, linkages between employers and vocational education, especially in the area of program modernization, have not been uniformly effective. Also, the inherent human resistance to change may have impeded the steps necessary to undertake significant investments in program improvement.

Not all of these factors can be addressed in congressional legislation, but some can be dealt with. In this regard, the Committee was disturbed to discover that the current VEA provides such a low level of support and insistence upon program improvement activities.

As the NIF Report found:

> Only a small proportion of all funds spent at the local level are devoted to program improvement;
>
> more than 90 percent of federal basic grant funds are spent on vocational education programs or administration; and
>
> less than one-half of all reported Program Improvement and Supportive Services funds are spent for program improvement services.

Recognizing the real needs for program improvement, the Committee is dismayed by the tendency of states and localities to use federal vocational education funding to reinforce existing practices rather than utilizing these funds to improve programs. It finds that a considerable cause of this problem is the lack incentives for program improvement in the current VEA.

Therefore, S. 2341 devotes major attention to program improvement, expansion and innovation activities. Title III provides states and localities the means to meet their program improvement needs and allows considerable discretion in the establishment of program improvement priorities. In the end, however, states and localities, by their management of Title III programs, will determine whether or not Title III is an opportunity gained or lost.

Private Sector Involvement

In oversight hearings devoted to vocational education held by the Subcommittee on Education, Arts and Humanities, the views of numerous business leaders and organizations were solicited regarding the current VEA and the direction any new legislation should take. The witnesses offered considerable support for vocational education; yet, their testimony highlighted several of the current systems shortcomings. Chief among these deficiencies are the need to modernize programs and the desirability of a closer relationship between employers and the vocational education system.

The Committee believes that the nation's employers are the end-users of the vocational system's product, its graduates. Vocational graduates who are poorly or insufficiently educated are of little utility to prospective employers. If the system were to produce graduates who are not in demand by employers, the worthiness of the entire system would be called into question.

According to a U.S. Chamber of Commerce survey, "a large majority of the personnel directors in U.S. business firms view vocational education as either 'very' or 'somewhat' effective in preparing students for employment." This vote of confidence in vocational education is tempered somewhat by the possibility that the system is in danger of atrophying unless numerous improvements are made.

Here, S. 2341 is designed to improve the relevancy of vocational education programs to employment needs. Chief among these provisions is the creation of a significantly revised State Council on Vocational Education. This Council would draw the majority of its membership from representatives of business and industry in the respective states. Additionally, the Council is provided with specified duties, many of which emphasize the relevancy of vocational education to the job market and the use of businesses and labor organizations in the conduct of vocational education.

Particularly in Title III, employers have the opportunity to make good on their professed interest in cooperating with vocational education. Specifically, the matching provisions are structured to invite industry participation, and the Industry Education Partership Training Progrm in High Technology Occupations represents a significant means of forging effective private sector/public sector cooperation in vocational education.

Interrelationships

One observation made in the NIE Report was that "the way federal funds are in fact distributed may not advance the national objectives of Federal policy." The Committee interprets this to mean that there is too irregular a pattern of compliance with federal objectives, and it appears that there are too many instances where states conduct programs that are unrelated to the goals of VEA and the 1976 amendments.

There are various reasons for these findings. Obviously, some of the responsibility lies with states and localities; but much of the responsibility must be shouldered by the current Act. In setting out too many agendas and objectives, the Act camouflages its core goals, and it is little wonder that state and local practices often are at variance with federal purposes.

S. 2341 seeks to remedy this situation, first, by establishing a few, clear goals and, second, by assuring that the different parts of this legislation complement each other and reinforce S. 2341's central objectives.

The overriding goals of access and program improvement are clearly exemplified and stipulated in Title II and Title III. Title IV (National Programs) sets out a research agenda that focuses on equity and quality in vocational education, on the coordination of vocational education with existing federal, state, and local economic development and manpower training programs, and the promotion of effective public/private cooperation. Similarly, the Cooperative Employer Education Program gives the Secretary of Education the means to support model programs which carry out the basic thrust of S. 2341.

The Committee believes that the clear statement of objectives, the focused national agenda, and the interrelationships within S. 2341's structure will be an unmistakable message to state and local agencies and to the public indicating the federal government's primary concerns in vocational education.

National Programs

In reviewing Part B, Subpart 2 (Programs of National Significance) of the Vocational Education Act, the Committee reached several conclusions which created doubt regarding the effectiveness of this section. Those conclusions are that:

> The recent controversy over the location of the National Center for Research in Vocational Education has obscured the need for improvements in federally-supported research in vocational education;
>
> Congress has failed to delineate those issues which it believes are important research topics; and
>
> the Secretary possesses limited ability to provide special assistance to programs and projects which relate to the purposes of vocational education and which could improve vocational education significantly.

Therefore, S. 2341 lodges the primary responsibility for federally-supported research in vocational education with the Secretary. In turn, the Secretary shall conduct this research through either the National Institute of Education or another division of the U.S. De-

partment of Education. The Committee also encourages broad participation in vocational education research. S. 2341 does not authorize a National Center for Research in Vocational Education. It is the intention of the Committee that the Secretary utilize the facilities and talents of several institutions to provide quality research in vocational education.

Additionally, the Committee, understanding criticisms that vocational education research has been too diffuse and unrelated, has stipulated an agenda within S. 2341 which would focus federally-supported research on issues of national import which are related to the overall purposes of S. 2341.

Similarly, S. 2341 expands the ability of the Secretary to provide funding to promising and exemplary programs which also reflect the goals of S. 2341 to improve services to the underserved, promote closer collaboration with the private sector, overcome national skill shortages, and improve vocational education programs.

Both the research agenda and the Cooperative Employer Education Fund, thus, are intertwined with S. 2341 and its emphasis on equity and quality.

Another issue brought to the Committee's attention was the Vocational Education Data System (VEDS). The Committee is aware that VEDS has become a complicated system of collecting data on vocational education and that it has burdened states and localities. Yet, the objective of vocational education data collection remains unassailable; without that information, Congress and the federal government would be "flying blind" when it came time to assess the conduct of vocational programs throughout the nation. Therefore, the Committee insists that the collection of data on vocational education by VEDS be carried on.

Recognizing the difficulties related to VEDS, S. 2341 establishes a two-year cycle for updating VEDS and institutes a system of scientific sampling for the information required, with the exception of information regarding the handicapped which must be a detailed count.

Emerging Technologies

The Committee is cognizant of the tremendous advance of technology and the effect it has had both on the educational system and on the workplace. Therefore, it has made special provision in this legislation for industry cooperative programs in high technology occupations. Furthermore, recognizing the advance of public television and other telecommunication technologies and their use in education, it would encourage the Secretary and the States to consider their utilization in accomplishing the goals of this Act. The Committee also encourages the use of new and advanced learning technologies, such as computer assisted instruction, for achieving the objectives of this Act.

IV. EXPLANATION OF S. 2341

S. 2341, entitled the Vocational Education Act of 1984, is a free-standing legislative proposal. It is a new Act designed to emphasize access to and the quality of vocational education. S. 2341 was so

created to dramatize the need to revamp the federal vocational education legislation rather than merely amend existing law.

Statement of Purpose

The purpose of the Act is: to provide assistance to States in the expansion, improvement and development of quality vocational education programs; to assure equal opportunity in vocational education for traditionally underserved populations; to promote greater public/private sector cooperation; to make vocational education more responsive to the job market; and to improve the operation of national vocational education programs.

Authorization of Appropriations

S. 2341 authorizes a total of $903.7 million for fiscal year 1985 and "such sums as may be necessary" thereafter through the fiscal year ending prior to October 1, 1989. Of the $903.7 million authorized, $880 million is available to carry out titles I, II, III (other than section 101(b)), and IV (other than part E), $20 million is authorized for consumer and homemaking programs, and $3.7 million is authorized for bilingual vocational training. In addition to vocational education, S. 2341 authorizes $500,000 for a National Summit Conference on Education and $6.2 million for the Women's Educational Equity Act.

Title I—Vocational Education Assistance to the States

Part A—Allotment and Allocation

Allotment

From the sums appropriated pursuant to section 3(a)(1) the Secretary of Education is to reserve 2 percent for the national programs described in Title IV and 2 percent for the program for Indians and native Hawaiians. The remainder of those funds and funds appropriated pursuant to sections 3(a)(2) are to be allocated to the States.

Within State allocation

Of the funds received by each State, up to 6 percent may be retained for administrative expenses. The Committee is very concerned that too many States are using too much of their federal vocational grant for state administrative purposes, thereby depriving programs of the funding they need to operate. For instance, some states use close to or over 20 percent of their VEA funds for administrative purposes. Because the Committee believes that as much funding as possible should be programmatic and because S. 2341 has simplified the planning requirements on the State, the Act sets a ceiling on administrative costs whereas there is no such cap in existing law. The Committee has attempted to limit the definition of administration, also. While guidance activities are not specifically included, States could support guidance and counseling with these funds.

Additionally, the State must reserve 1 percent of its allotment (or at least $120,000 but no more than $225,000 in each fiscal year) for direct transfer to the State Council on Vocational Education.

After the State has reserved funding for administrative expenses and the State Council, the remaining funds must be allocated evenly (on a 50/50 basis) for Title II and Title III.

Indian programs

The Committee feels that the current level of funding for Indian vocational educational programs provided by the 1 percent set-aside in current law is insufficient to meet the demonstrable need. Therefore, S. 2341 requires that 2 percent of the funds appropriated be reserved for Indian tribes and organizations and, for the first time in the federal vocational Act, for eligible recipients and non-profit private organizations serving Hawaiian natives.

PART B—STATE ORGANIZATIONAL AND PLANNING RESPONSIBILITIES

State administration

As in current law, S. 2341 continues to require the designation of a State board of vocational education which shall be the sole state agency responsible for the administration and supervision of vocational education in the State. The Act also requires that the State board consult closely with the State Council on Vocational Education in the development of the state plan.

The State must assign at least one individual who will work full time on the program relating to single parents and homemakers and on the other activities commonly referred to as sex equity in vocational education. A minimum of $60,000 annually must be expended to carry out the equity program described in section 111(b)(1).

State Council on Vocational Education

S. 2341 makes significant changes in State advisory councils for vocational education. These changes arise from the Committee's belief that the advisory councils, or SACVEs, have operated both less than optimally and irregularly from state to state.

These shortcomings in performance result from several factors, but they do not mean, in the Committee's opinion, that SACVEs are unjustified. For instance, SAVCEs simply are too large. The VEA stipulates twenty different membership categories which must be included on each State's advisory council. The kaleidoscopic nature of the membership, while a well-intentioned attempt to ensure the reflection of diverse points of view, seriously dilutes the manageability of SACVEs and their effectiveness. Also, current law gives little direction to the state councils regarding their exact responsibilities.

The Committee believes that advisory councils are an important component of a state's policy mechanism for vocational education. Therefore, it has required several changes including:

First, the state councils must be more reflective of the State's employment environment. The majority of its members must be from business and industry;

second, the councils are reduced in size to 11 members; and

third, the state councils are directed to investigate specified subjects related to vocational education and the goals of S. 2341.

Furthermore, the Committee intends that individuals who are representative of postsecondary vocational education in the State may come from public and/or private vocational training institutions.

State plans

Testimony presented to the Committee indicated that, in many cases, the planning requirements in the current VEA are essentially exercises in "paper compliance." VEA requires both an annual plan and a five-year plan. S. 2341's objective is to simplify the State planning process by restricting the plan to three years for the first plan and two years for the subsequent plan. The reason for assigning different durations to the two plans is to bring the vocational education planning process into the program cycle for the Job Training Partnership Act in order to provide greater opportunities for coordination between JTPA and vocational education. In contrast with current law, S. 2341 restricts the State plan required by this Act to the planned uses of federal funds only.

The plan also is to develop measures to evaluate the effectiveness of programs. Such measures would include assessments such as occupations to be trained for, skill levels to be achieved and basic employment competencies. Because handicapped individuals often cannot meet the same measurements as non-handicapped students in vocational education, appropriate measures which reflect individual needs are to be established for evaluating programs serving the handicapped.

TITLE II—PROGRAMS FOR VOCATIONAL EDUCATION OPPORTUNITIES

Access to vocational education for populations that have been inadequately served in the past is one of the two main objectives of S. 2341. Title II programs are intended to be student oriented. They are to be devoted to direct services to individuals who are handicapped, disadvantaged, or incarcerated and to individuals who are single parents or homemakers.

Uses of funds

Section 201(a) lists the four population groups eligible for assistance under Title II.

One key component of this section is an elucidation of the types of expenditures which can be made on behalf of handicapped students in vocational education. Present law contains no descriptive language regarding the payment of "excess costs" for handicapped services. This concept has been defined in regulations implementing the VEA, and the treatment of excess costs by regulation has led to considerable difficulty among recipient institutions.

The Committee is very explicit regarding the provision of services to the handicapped in section 201(c). This section describes the supplemental or additional costs against which these funds may be applied in serving the handicapped. These funds may be used for such personnel, items, or activities such as paraprofessionals and

aides, instructional and curricular modification, equipment, tool or materials adaptation, work experience and job placement activities, consultants to assist vocational instructors and evaluation services.

The Committee also recognizes that P.L. 94-142 funds are available to provide handicapped students with a free, appropriate, public education and that such funds can and should be used to assist handicapped students in receiving vocational education services.

These funds also may be used for basic skills instruction for the population groups described in this section. Yet, it is the Committee's intention that any basic skills instruction be conducted in addition to participation in a program of vocational education and not as a substitute for vocational education and that they be related to the individual's occupational training and retraining.

Further, the Committee intends that in providing services for the disadvantaged, special attention shall be given to the needs of the school dropout.

The Committee also wishes to emphasize that, wherever possible, formal classroom instruction should be supplemented by an on-the-job training experience to give the student an understanding of what the job involves, as well as the demands placed upon the individual who holds a job. This is an important testing ground for the student and can provide valuable insights into what a student can expect to find in the workplace. The Committee urges that a work-related experience be an integral part of formal vocational education and training and that, to the extent practicable, such an experience should be made available to the individuals described in section 201(b). Further, the Committee includes cooperative education, work study, and apprenticeships among the programs to be encouraged in linking the classroom to the worksite.

Funds for the disadvantaged provided under Title II may also be used for program improvement activities. In this regard, it is the Committee's intention that such activities be designed to insure that vocational education and training courses be as up-to-date as possible. They should reflect job requirements and should utilize the latest modes of instruction. This means modern machinery and tools and the use of the latest technological advances. It also means courses in new and emerging technologies wherever and whenever necessary.

Distribution of assistance

Section 202 lists set-aside levels for four underserved populations. The programs for women and for the incarcerated are conceived as separate programs with separate funding distributions. By contrast, those needs of the handicapped and the disadvantaged as groups are so similar that the Committee has stipulated that certain generic services be made available to serve those needs. These services, as described in Section 204, involve equal access, outreach, needs assessments, special services, and counseling.

The Committee expects that many of these services will be provided in common to the handicapped and the disadvantaged at the local level. It can neither predict with certainty what the proportional representation of the handicapped vis-a-vis the disadvantaged will be in local vocational programs supported by this section

nor can it predict exactly how the costs generated by their participation will be apportioned.

The Committee is most concerned with the services made available to these populations. It does not expect that the State, in accounting for the funds allocated, must necessarily aggregate expenditures separately for the handicapped and separately for the disadvantaged. It does intend that the State be able to ensure that the funds resrved for the handicapped and the disadvantaged be used for vocational services to those populations.

The Committee also opposes shifting federal funds from one group to another within Title II or from Title II to Title III. Such practices could set off unwise and unproductive competition among groups over relatively limited amounts of funds. Furthermore, given considerable research into previous state practices, the provision of "flexibility" to States to shift funds out of Title II into Title III could recreate patterns of discrimination against the needs of underserved populations. Considerable flexibility exists with state and local funds, and the history of vocational education has proven that, unless the integrity of the federal set-asides are maintained, States will tend to use these monies for other purposes despite the demonstrated need for services to students with special needs.

Within State allocation

Numerous research studies have provided convincing evidence that States, in effect, are ignoring the criteria for in-state distribution of funds required in the current law. While S. 2341 gives the State considerable latitude in distributing funding under this Act, the Committee wants to ensure the manner of distribution for the funds set-aside for the handicapped and the disadvantaged. Therefore, section 203(a)(1) stipulates that the funds provided for the handicapped and the disadvantaged be distributed totally according to specified criteria. There criteria are to be weighted equally and they include:

1. relative number of economically disadvantaged individuals;
2. relative number of disadvantaged and handicapped students served in vocational education in the previous year; and
3. increases in the numbers or percentages of handicapped and disadvantaged students proposed to be served, except that those recipients serving those populations equitably shall not be penalized.

While no definition of economically disadvantaged is included in these criteria, the State could select from existing counts such as provided by Chapter I of the Education Consolidation and Improvement Act, eligibility for free and reduced-price lunches, or state compensatory education programs similar to Chapter I for eligible recipients which are local education agencies. For postsecondary institutions, the State could elect to use a count such as the number of Pell grant recipients. It is the Committee's intent that any such definitions must be uniformly applied within each state.

The State must make an adjustment to estimate the number of full-time equivalent students enrolled on an annualized basis. Postsecondary institutions, particularly, often conduct short duration courses and serve individuals who would not be enrolled year-

round and on a full-time basis. To count these individuals for purposes of this distribution as full-time students would be unfair and would significantly distort the allocation of funding for the handicapped and disadvantaged.

The Committee's objective in using the relative number of economically disadvantaged as a major component of the criteria for passing on these funds is to provide a factor that takes into account the relatively higher burden facing recipients that serve large numbers of the economically disadvantaged.

The second and third criteria are designed to provide incentives for serving increased numbers of the handicapped and the disadvantaged in vocational education. To the extent that increased numbers are served in vocational education, those numbers will be reflected in criteria (b) in the subsequent year. Criterion (c) is designed to give assistance prospectively to eligible recipients who plan on increasing the number to be served without penalizing those recipients who are equitably serving those populations and those recipients providing equitable services to those populations who are losing students.

The State must be able to identify counts of handicapped and disadvantaged separately, but upon receipt of these funds, the eligible recipients have flexibility in applying them to services appropriate to the two populations. These funds must be used for vocational education services, and the eligible recipients must use these funds to serve only these populations in accordance with their relative numbers and relative needs.

Services for the handicapped and disadvantaged

In the Committee's view, handicapped and disadvantaged individuals, while having differing personal characteristics, share certain common needs: the need for equal access to vocational education and the need for additional services to assist them in succeeding in vocational education.

Handicapped and disadvantaged students must have equal access to the full range of vocational services and programs provided to non-handicapped and non-disadvantaged individuals. This would include access to institutions at the secondary and postsecondary level, area vocational schools, and comprehensive high Schools and to occupationally-specific vocational programs.

The Committee is concerned about reports indicating that "creaming" is occurring in many of the best vocational programs. This practice involves selecting the most talented, easiest to train students from a number of applicants. Handicapped and disadvantaged individuals must have equal access to these programs, and they also must have equal treatment on waiting lists in the case where all applicants cannot be selected. If handicapped and disadvantaged students must be placed on waiting lists, they should be offered alternative and appropriate placements.

Regarding handicapped students, S. 2341 requires that courses be conducted in the least restrictive environment and that the individualized education plan under P.L. 94-142 required for secondary students include a vocational component for those handicapped students which enroll in vocational education. A representative of vocational education should participate in the development of the

I.E.P. Furthermore, the Committee urges greater coordination between vocational education and special education so that the two will not be seen as separate preserves. When a handicapped student selects vocational education, special education services must complement the student's vocational education program to the greatest extent possible.

The Committee also intends that the handicapped and the disadvantaged be provided with specified services in secondary vocational education. Outreach activities must be conducted prior to the time these students are eligible to enroll in vocational education. This outreach is intended to provide information on what is available in vocational education. If a handicapped or disadvantaged student then elects to enroll in vocational education, needs assessments, special services and counseling must also be provided.

The purpose of the outreach activity is to overcome what the Committee perceives as a lack of proper information regarding what vocational education has to offer. Once this information is provided these populations, the decision whether or not to enroll remains the decision of the individual student. If that student chooses not to enroll in vocational education, the other services are not necessary.

The Committee reemphasizes its view that, to the maximum extent appropriate, handicapped and disadvantaged students are to be educated with students who are not handicapped or disadvantaged. Also, it believes that, particularly in the case of handicapped students, special classes, separate schooling or other removal from the regular classroom environment should occur only when the nature and the severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.

Womens' provisions

The Committee intends that each State will employ a person full time as a coordinator to perform two primary tasks: (1) the promotion of sex equity within all vocational education programs within the State, and (2) the administration of the vocational education program for single parents and homemakers that is mandated by this legislation. The Committee expects each State to grant this person sufficient authority within the State administration of vocational education to fullfill these two responsibilities.

State and local officials are required to cooperate with the coordinator in the performance of sex equity duties. The coordinator will review vocational education programs and activities to ensure that they are not biased against men or women. When they are necessary, the coordinator will devise plans to end sex stereotyping and bias and make recommendations to the appropriate officials regarding these plans. The coordinator will serve as an adviser to the vocational education community regarding sex equity. It is this individual's particular responsibility to advise the vocational education community on what must be done to meet the special needs of women regaridng vocational education. The coordinator will advocate equal access by men and women to instruction in new technologies.

The committee intends that the coordinator administer the program for single parents and homemakers that is established by this legislation. It is expected that the coordinator will be part of the agency that administers vocational education within a State and that this individual will work under the supervision of director of that agency. However, under no circumstances is the coordinator to be a figurehead. This individual is to be allowed the discretion that is appropriate to an administrator of a program.

Each State shall reserve at least $60 thousand from its allotment under this legislation for single parents and homemakers to pay the salary and administrative expenses of the coordinator and whatever is necessary for the sex equity task. The State is allowed to use an additional amount from this allotment for these expenses but only if this extra expenditure is absolutely essential.

The Committee expects the States to devote the preponderance of the allotment for single parents and homemakers to improving the quality and accessibility of vocational instruction for single parents and homemakers who have actual or potential financial difficulties so that these persons can obtain the marketable skills that they themselves want. The States can use money from the single parents' and homemakers' allotment to improve "mainstream" vocational programs that serve the general population so long as the contribution to these programs from this allotment is roughly proportional to an obvious additional benefit that single parents and homemakers will derive from the improvement of these programs. We encourage the States to use a portion of the single parents' and homemakers' allotment to provide transportation and child care when these services are necessary for a single parent or homemaker to participate in a vocational program. The States are also encouraged to inform citizens concerning the single parents' and homemakers' program so that eligible persons will seek to participate in this program.

Programs for the incarcerated

The Committee intends that these funds shall be used to implement, upgrade, or expand vocational education and training programs for criminal offenders in a correctional institution. Consistent with the "supplement not supplant" provisions of S. 2341, the Committee further intends that these funds shall provide services in addition to those already being offered prior to enactment of this setaside.

Services provided with these funds may encompass not only vocational education and training but also guidance and counseling, cooperative endeavors with private business and industry, basic skills instruction related to the criminal offender's training, and support services, including a special emphasis upon job placement.

The Committee believes that one of the best ways in which we can begin to break the cycle of recidivism is to provide the incarcerated with training in a correctional institution that will lead to a job upon release. Failure to provide meaningful job training simply continues the revolving door of in, out, and back into prison that is so prevalent in our society today.

TITLE III—VOCATIONAL EDUCATION PROGRAM IMPROVEMENT, INNOVATION, AND EXPANSION

Given the appeals from the vocational education community, the Committee is devoting a major portion of S. 2341 to program improvement, innovation and expansion. In the Committee's view too little of the current law supports these activities. The Committee is disappointed that states and localities themselves seem to provide too little for necessary and wise improvements in vocational education. Therefore, this Title represents a strong statement from the Committee on these needs.

Uses of funds

S. 2341 gives considerable latitude to the State in defining its program improvement needs. Section 301(a) is illustrative of program improvement activities which may be funded with Title III assistance. Yet, because of the overriding importance of training activities for vocational educators, teachers, counselors and administrators, the Committee has required that preservice and in-service training be conducted. In particular, these training activities are to include special emphasis on integrating the handicapped and the disadvantaged into regular vocational education.

Further, technical assistance is specifically included as an allowable expense under Title III. Also, in providing services, the State may elect to provide them directly or to contract for their delivery.

Distribution of assistance

The state is made responsible for developing criteria for the distribution of these funds. Because of the limited capacity of economically-depressed urban and rural areas to support programs, S. 2341 requires that these areas be given special emphasis in the distribution of assistance.

It is the Committee's hope that targeting assistance in this manner will work to end the present and most unsatisfactory situation in which those cities containing 20% of our Nation's population have only 7% of the existing vocational education and training facilities. This is an imbalance which the Committee strongly believes must be redressed, and it sees Title III as a major vehicle for achieving that objective.

Given the expression of concern by members of the Committee that programs serving large concentrations of disadvantaged must also have access to program improvement funds, the Committee encourages states to make certain that programs providing vocational education to disadvantaged students be given preference in distributing Title III funding for program improvement. Furthermore, States should not deprive Title III funds to recipients because they have received Title II funds.

S. 2341 also requires that at least 30 percent of Title III funding be available for programs training and retraining adults. At least 10 percent of Title III funds must be devoted to industry education partnership training programs in high technology occupations. To the extent that these latter programs serve adults, then any Title III funds devoted to these programs may be counted against the set-aside for adult programs.

Criteria for program improvement

S. 2341 calls upon the State board to determine how to distribute these funds and the manner best suited to carry out the purposes of this Title. Furthermore, it allows States to make use of community-based organizations of demonstrated effectiveness to further the purposes of the Title.

The Committee has added language requiring that any project assisted be of "sufficient size, scope, and quality" to give promise that it will meet the needs of students. By this, the Committee wants to ensure that the State make investments in projects that will make a difference and that are not so small or poorly developed that they can make no positive, demonstrative impact.

Criteria for high technology programs

This section exemplifies the Committee's view that specific support must be generated for programs devoted to high technology occupations, which are making a great impact on the American economy. Yet, this section not only supports such programs; it provides the business community the opportunity to enter into creative partnerships with vocational education to futher the objectives of this provision.

Adults

Funds are to be used to provide, improve and expand adult programs. Section 305 permits the support of adult programs but does not allow the State to use these funds solely to support on-going programs or regular program operations. While this is permissible for some programs, Section 305 must be utilized as well for program improvement and expansion activities. The State is provided flexibility to make these decisions.

Also, the Committee intends that these programs be open to all adults in need of training or retaining including older Americans and displaced homemakers.

The Committee intends that adults eligible for services under Section 305 shall include, but not necessarily be limited to, the unemployed and economically dislocated worker, the displaced homemaker, the underemployed, the worker desiring a change of occupations, and the older worker.

The Committee is particularly concerned that Section 305 programs focus special attention upon the needs of the older worker, aged 45 years and over. This concern is an outgrowth of proposals embodied in S. 544, the Older Americans Vocational Education Act, introduced originally by Senator Pell.

The older worker faces barriers to employment and re-employment that are not faced by the younger worker. Obsolete job skills, an actual absence of skills, lack of job search skills, and employer discrimination in hiring older persons, particularly when new or additional training is necessary, all operate to the disadvantage of the older worker. The Committee intends, therefore, that the funding of programs under Section 305 include a special emphasis upon developing and implementing training and retraining programs that address the plight of the older worker.

TITLE IV—NATIONAL PROGRAMS

PART A—RESEARCH

The objectives of this section are to ensure a specific research agenda related to the purposes of this Act and to promote quality in vocational education research by making federal support available to various research providers. S. 2341 does not authorize a National Center; rather it permits the Secretary to designate where within the Department, including the National Institute of Education, such research authority will be lodged and to determine the design of such research.

S. 2341 also urges the Secretary to give preference to public and postsecondary institutions with demonstrated competence in vocational research, but this provision does not mean that research awards be granted only to those institutions. The judgments on who will conduct certain research activities must also be conditioned by the quality of proposals submitted and how best they meet the research agenda. It is the Committee's view that the quality and subject of research is more important than the institution conducting it.

To this extent, the legislation provides limitations on the amount of research assistance which can be awarded any one recipient. Also, S. 2341 directs the Secretary to support unsolicited research proposals from State and local educators while relate to the goals of this Act. By doing so, the Committee intends that creative proposals can be submitted without invitation and can be funded if they are worthy of support.

The Committee wants to emphasize that the research not only must support the specified objectives of the Act but it must be practically applicable. It must be useful to the vocational community in providing information on worthy practices and also helpful to the federal government in assessing how effective programs are in meeting the goals of equity and quality.

Finally, considering the concentration in Title II on programs for the handicapped and the disadvantaged, the Committee intends that research be conducted on exemplary practices and programs serving these populations, including research on instructional and curricular development, inservice training models and on work experience and paid employment. The Committee feels that there must be an emphasis, as well, on the most severely handicapped.

National assessment

The Committee believes that, given some of the dramatic changes made by S. 2341 from current law, a national assessment of the programs conducted under this Act is necessary. Given the utility of the NIE Report commissioned by the 1976 amendments, S. 2341 calls for this assessment to be conducted through the National Institute of Education. Funding for the assessment may be provided by Title IV, Part A, of S. 2341, but it shall not exceed 20 percent of the amounts made available for Part A.

PART B—COOPERATIVE EMPLOYER EDUCATION PROGRAMS

The Secretary of Education is empowered to support through grants or contracts programs and projects which support:

Model programs promoting access for the underserved;
public/private sector cooperation;
programs overcoming national skill shortages; and
other activities related to the purposes of this Act.

The Committee intends that the Secretary have greater capacity to support these kinds of activities than is presently provided through Programs of National Significance. Also, the Committee wants to ensure that this part relate to the overall goals of S. 2341.

These programs must be directly beneficial to the individuals served by the programs funded under this part and must be capable of wide replication. The Committee is not interested in supporting programs which have limited utility and which do not involve the provision of services to individuals.

The Committee has confidence in the creative potential promised by support for programs accentuating effective cooperation with the private sector. It also believes that other federal agencies, such as the Tennessee Valley Authority, which has demonstrated that private and public sector efforts can be coordinated to produce an effective vocational education program capable of replication, should be eligible for participation in this program.

PART C—VOCATIONAL EDUCATION AND OCCUPATIONAL INFORMATION DATA SYSTEMS

VEDS

S. 2341 continues the vocational education data system (VEDS). Yet, it simplifies the system, which should continue to yield useful information on vocational education without creating unreasonable burdens on the suppliers of data.

S. 2341 calls for an updating of the system every two years and requires that Secretary to use scientific sample surveys for the information required (except for the handicapped). The Secretary is authorized to conduct special studies, particularly on the participation of the disadvantaged and the handicapped.

The Committee is especially concerned with acquiring accurate information regarding the participation of handicapped individuals in vocational education in order to assess the real, as opposed to imaginary, progress of the handicapped toward full participation in vocational education. Therefore, it requires that the two-year survey include a count of the handicapped in 6-digit detail as defined in A Classification of Instructional Programs published by the National Center for Education Statistics.

Also, funds are to be made available from those funds provided to VEDS under this Act for alleviating the burdens of data collection on the States.

NOICC/SOICC

S. 2341 preserves the National Occupational Information Coordinating Committee and the respective state committees. The Act proposes an expansion of the membership of both the NOICC and

the SOICCs. Also, it expands the agenda for the NOICC so that information will be collected on the effect of technological change on existing and emerging occupations.

PART D—NATIONAL EMPLOYERS COUNCIL ON VOCATIONAL EDUCATION

In place of the National Advisory Council on Vocational Education established under current law, S. 2341 would create a national employers council consisting of 21 members, who, in the main, are representative of the business community. The Committee feels that a council with this profile is better able to effectively advise the Secretary and the Congress on the needs of the employment community and the effectiveness of vocational education.

PART E—BILINGUAL VOCATIONAL TRAINING

The Committee recognizes the difficulties that limited English-speaking individuals have in making the transition from their native language to English. In order to facilitate the acquisition of both vocational education and English language skills, the Committee adopted an amendment authorizing the provision of bilingual vocational education.

PART F—GENERAL PROVISIONS

This part provides that, of the amount available for Title IV, 30 percent be available for Part A, 33 percent for Part B, 30 percent for Part C and 7 percent for Part D.

TITLE V—GENERAL PROVISIONS

Federal share

The federal share shall be 50 percent of the cost of state administration; 50 percent of the costs of separate programs for the handicapped and disadvantaged; and 50 percent of the costs of Title III programs. The federal share shall be 100 percent of the costs of the program for single parents and homemakers and the program for the incarcerated. Additionally, for mainstream programs for the handicapped and the disadvantaged, the federal share shall be 100 percent of supplemental costs.

The Committee intends that S. 2341 provide an impetus for the integration of handicapped and disadvantaged individuals into regular vocational education programs. Yet, evidence has surfaced indicating that the present treatment of excess costs in regulations issued by the Department of Education has encouraged segregated programs. The interpretation has been made that the entire cost of separate progrms are excess costs; therefore, the federal funds can be used to pay 100 percent of the cost of the separate programs. By contrast, S. 2341 provides that the federal share of separate programs will only be 50 percent of their cost while federal share of the extra costs of integrated, regular programs will be 100 percent. The Committee, however, does not intend for this provision to apply to programs designed solely to serve school dropouts.

Furthermore, the federal share is for supplementing, not supplanting, state and local funds. Also, only when it is clearly demonstrated that the nature and severity of the individual's handicap,

even with maximum support services, prohibit participation in a "regular" program, should a more restrictive vocational program be considered.

Maintenance of effort

S. 2341 creates a more flexible maintenance of effort standard than that which is required by the existing law. The bill provides that, under this Act, payments shall be reduced to a State if its fiscal effort per student or its aggregate expenditures for vocational education falls below 95 percent of such effort or aggregate expenditures for the second preceding fiscal year in which the determination was made. Furthermore, in making reductions in federal assistance to those States which fall below 95 percent, the Secretary shall reduce payments in proportion to the amount the State falls below 95 percent. Also, the Secretary is provided with the authority to waive these requirements due to exceptional or uncontrollable circumstances. The Committee intends that these exceptional or uncontrollable circumstances do not include the passage of tax reduction referenda.

Title VI—National Summit Conference on Education

The Committee adopted an amendment authorizing $500,000 for the conduct of a National Summit Conference on Education. The recommendations of the conference shall be submitted to the President, Congress and the States no later than October 15, 1985.

Title VII—Women's Educational Equity

The Committee adopted an amendment authorizing the continuation of the Women's Educational Equity Act through the fiscal year ending prior to October 1, 1989. $6.2 million is authorized for fiscal year 1985 and "such sums as may be necessary" are authorized for each of the succeeding fiscal years.

V. REGULATORY IMPACT STATEMENT

S. 2341 has been specifically designed to focus the federal role in vocational education on program improvement, services to underserved populations, and the collection of data and the support of vocational education research. The federal regulatory impact of S. 2341 is limited to these areas, and therefore, it is necessarily more limited than the regulatory impact of existing law, whose intent is more diffuse. S. 2341 would substantially reduce the process requirements of the federal vocational education program. Substate plans are not required, and the state plan must account only for the use of federal funds. Under existing law the state plan must also account for the use of state and local vocational education funds.

VI. FAMILY FAIRNESS STATEMENT

Vocational education is designed to equip individuals with career-related skills that are life-enhancing. To the extent that individuals receiving vocational education have or will have families, the acquisition of these skills are bound to have a positive impact

on the family. In many sections, S. 2341 is designed to provide special assistance to individuals with families who have a special need to acquire vocational education to benefit themselves and their family.

VII. COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 16, 1984.

Hon. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for S. 2341, the Vocational Education Act of 1984, as ordered reported by the Senate Committee on Labor and Human Resources on May 1, 1984.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

RUDOLPH G. PENNER.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 2341.
2. Bill title: The Vocational Education Act of 1984.
3. Bill status: As ordered reported from the Senate Committee on Labor and Human Resources on May 1, 1984.
4. Bill purpose: The purpose of this bill is to extend through 1989 the federal vocational education programs by repealing the Vocational Education Act of 1963 and establishing this Act. In addition, this bill establishes a summit conference on education and extends the authorization for the women's educational equity through 1989. This bill is subject to subsequent appropriations action.
5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1985	1986	1987	1988	1989
Estimated authorization level:					
Vocational education grants	880.0	933.7	988.8	1,051.5	1,116.2
Consumer and homemaker education	20.0	21.2	22.4	23.9	25.4
Bilingual vocational education	3.7	3.9	4.2	4.4	4.7
National summit conference	.5				
Women's education equity	6.2	6.6	7.0	7.4	7.9
Total estimated authorization level	910.4	965.4	1,022.4	1,086.7	1,154.2
Total estimated outlays	91.0	733.8	960.1	1,017.5	1,080.6

The cost of this bill falls in function 500.

Basis of estimate: The 1985 authorization levels for S. 2341 are those specifically stated in the bill. The estimated authorization levels for 1986 through 1989 are the 1985 stated levels adjusted by the CBO projection of cost increases. The estimated outlays assume

full appropriation of authorized levels and reflect the current vocational education program spending pattern.

6. Estimated cost to State and local governments: In 1985, assuming full funding of the authorized level, $845 million would be grants to states under this Act. Over half of these funds require a 50 percent match from non-federal services. The remaining federal funds, while not requiring a non-federal match, do require the funds to be specifically targeted on the disadvantaged, the handicapped, single parents, and criminal offenders in correctional institutions. In 1984, state grants were $708 million with a matching requirement of approximately $113 million. Most of the 1984 grants have no specific targeting requirements.

7. Estimate comparison: On March 2, 1984, CBO prepared an estimate on H.R. 4164, the Vocational-Technical Educational Amendments of 1984, as ordered reported from the House Education and Labor Committee. That bill extended the Vocational Education Act of 1963 and authorized $1,116 milion in 1985. H.R. 4164 established two new grant programs for training and retraining totalling $325 million in 1985. That bill also provided for permanently authorization of all programs under the Act.

8. Previous CBO estimate: None.

9. Estimate prepared by: Deborah Kalcevic.

10. Estimate approved by: C. G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

VIII. SECTION BY SECTION

Vocational Education Act of 1984: Section-by-Section Analysis of S. 2341, as Reported by the Committee on Labor and Human Resources

The "Vocational Education Act of 1984," restructures and replaces the Vocational Education Act of 1963, providing increased emphasis on program improvement, on serving those currently underserved, and on mechanisms designed to focus programs on meeting employment needs. The Act authorizes vocational education programs for 5 years, through fiscal year 1989.

Short Title

This Act may be cited as the "Vocational Education Act of 1984."

Statement of Purpose

Section 2 declares that the purpose of this Act is to (1) assist States to expand, improve, modernize, and develop quality vocational education programs in order to meet current and future employment needs and to improve productivity and promote economic growth; (2) assure that individuals who are inadequately served under vocational education programs are assured access to quality vocational education programs; (3) promote greater cooperation between public agencies and the private sector in preparing individuals for employment; and (4) authorize national programs to meet designated needs and strengthen the vocational education research process.

AUTHORIZATION OF APPROPRIATIONS

Section 3 authorizes: $880 million for fiscal year 1985 and such sums as may be necessary for each of the succeeding fiscal years through 1989 to carry out specified State programs, except that 2 percent of the funds are reserved for national programs (title IV); $20 million for fiscal year 1985 and such sums as may be necessary for each of the succeeding fiscal years through 1989 to carry out programs of consumer and homemaking education; and $3.7 million for fiscal year 1985 and such sums as may be necessary for each of the succeeding fiscal years through 1989 for bilingual vocational training.

DEFINITIONS

Section 4 provides definitions for terms used in the Act; most of these are identical to those in the Vocational Education Act of 1963, as amended.

TITLE I—VOCATIONAL EDUCATION ASSISTANCE TO THE STATES

PART A—ALLOTMENT AND ALLOCATION

Allotment

Section 101 reserves 2 percent of the sums appropriated under the $880 million authorization for national programs and 2 percent for Indian programs. Funds available to the States are allotted on the basis of a formula whereby 50 percent of the available funds are allotted according to population aged 15 to 19 times the allotment ratio, 20 percent according to population aged 20 to 24 times the allotment ratio, 15 percent according to population aged 25 to 65 times the allotment ratio, and the remaining 15 percent in proportion to the first 3 allotments. No State shall receive less than one-half of 1 percent of the available funds, except that no State shall receive more than 150 percent of the funds allotted to it in the preceding year. The allotment ratio is defined as 1.00 less the product of (A) 0.50 and (B) the quotient obtained by dividing the per capita income of each State by the per capita income of all the States, except that the allotment ratio shall be no more than 0.60 or less than 0.40. Per capita incomes shall be calculated on the basis of the average for the three most recent consecutive years for which data are available.

Within State allocation

Section 102 requires each State to allocate from its allotment not more than 6 percent for administrative expenses, and 1 percent for the State Council on Vocational Education (but not less than $120,000 nor more than $225,000). Of the remaining funds, 50 percent shall be available for programs for vocational education opportunitites (title II), and 50 percent for vocational education program improvement, innovation, and expansion (title III).

Indian programs

Section 103 authorizes the Secretary to enter into contracts with (a) Indian tribal organizations for the purpose of providing voca-

tional education programs, and (b) eligible recipients or nonprofit private organizations which are engaged in furnishing educational services or activities to Hawaiian natives.

PART B—STATE ORGANIZATIONAL AND PLANNING RESPONSIBILITIES

State administration

Section 111 requires any State desiring to participate in programs authorized by this Act to designate or establish a State board of vocational education. The board shall coordinate the development of vocational education policy, coordinate the submission of the State plan, and consult with the State Council on Vocational Education. Each State must assign at least one person to work full time to assist the State board with respect to sex equity in vocational education programs. This person must administer the program for single working parents and homemakers, gather and disseminate data on the education and employment needs of women, review programs for sex stereotyping and sex bias, ensure that the needs of women are addressed in the administration of the program, develop programs of information and outreach to women, provide technical assistance in expanding vocational opportunities for women, and provide assistance to increase access for women to vocational education and increase male and female enrollment in nontraditional programs. Each State must allot not less than $60,000 to carry out the purposes fo the full-time staff for sex equity.

State Council on Vocational Education

Section 112 requires any State desiring to participate in programs authorized by this Act to establish a State Council on Vocational Education. The majority of members of the council must be representative of business and industry in the State. One member must be a member of the State job training council established under the Job Training Partnership Act. Secondary and postsecondary education must be equally represented on the council; one member must be representative of special education; two members must be from the State legislature; and one member must represent labor organizations in the State. The council must hold at least one public meeting per year. The council shall advise the State board on the development of the State plan and on policy matters relating to vocational education. The council shall analyze the distribution of funds and services within the State, consult with the State board on program evaluation, make recommendations concerning programs emphasizing the use of business and labor organizations, assess the balance in programs between secondary and postsecondary institutions, make recommendations concerning public participation (including employers and labor organizations) at the local level, and analyze the extent to which individuals with special needs have been provided with equal access to quality vocational education programs.

State plans

Section 113 requires participating States to submit to the Secretary a State plan, the initial plan being for a 3-year period followed

by 2-year periods thereafter. In developing the plan, the State shall assess current and future occupational needs and determine how best to improve student skill levels to meet those needs.

Each plan shall (1) set forth the planned uses of Federal funds available for vocational education and describe how the State will expend funds for persons with special needs (title II), and for program improvement, innovation, and expansion (title III), (2) describe how the State will meet the program requirements for serving the handicapped and the disadvantaged, (3) provide assurances that the State will distribute at least 80 percent of the available funds to eligible recipients, except that the State will distribute 100 percent of the funds reserved under title II relating to the handicapped and disadvantaged, (4) provide assurances that single parents and homemakers with the greatest financial need will be given priority, (5) provide assurances that relevant training will be provided to men and women who desire to enter nontraditional occupations, (6) provide assurances that funds will be used to upgrade the quality of programs to meet the challenges of increased technological demands of the workplace, and (7) describe the methods to be used for the proper and efficient administration of the assistance provided under this Act.

Each plan shall provide assurances that (a) the State will develop measures for the effectiveness of programs, such as the occupations to be trained for and the levels of skills to be achieved in particular occupations, and separate measures for programs for the handicapped, (b) the State board will cooperate with the State council in carrying out its duties, (c) funds will be distributed to eligible recipients on the basis of annual applications under procedures established by the State, (d) provision will be made for the participation of individuals enrolled in private elementary and secondary schools in programs authorized by title II, (e) individuals with limited English-speaking ability will be equitably served, (f) Federal funds will be used to supplement State and local funds, and State and local expenditures for the vocational education of the handicapped will not be less than such expenditures in fiscal year 1984, and (g) the State will make provision for necessary fiscal control and fund accounting procedures. The plan shall describe the criteria for the distribution of assistance under titles II and III.

Approval

Section 114 requires that the State plan be submitted (a) to the State legislature for review and comment, and (b) to the State council for review and comment. The Secretary shall approve any State plan which meets the requirements of this Act.

Title II—Programs for Vocational Education Opportunities

Uses of funds

Section 201 specifies that funds available for title II shall be used to meet the special vocational education needs, and enhance the participation, of handicapped individuals, disadvantaged individuals, single working parents and individuals who have been primarily homemakers as adults, and criminal offenders who are serving in correctional institutions. Funds available for programs for

the handicapped shall be limited to providing services which are not available to other individuals and which are essential for the handicapped to participate in vocational programs. Funds available for programs for the disadvantaged may be used for programs designed to provide equal access to quality vocational education for the disadvantaged. Funds available for programs for single parents and individuals who are primarily homemakers may be used for vocational and basic literacy instruction and for assistance to make such programs more accessible.

Distribution of assistance

Section 202 requires that of the funds available for title II, 25 percent shall be available for programs for the handicapped; 50 percent shall be available for programs for the disadvantaged; 23 percent shall be available for programs for single parents and individuals who have been primarily homemakers; and 2 percent shall be available for programs for criminal offenders who are in correctional institutions.

Within State allocation

Section 203 requires States to allocate the 75 percent of the funds available under this title specifically for the handicapped and the disadvantaged to eligible recipients, as follows: (a) one-third shall be allotted in proportion to the number of economically disadvantaged individuals enrolled by the recipient, (b) one-third shall be allotted in proportion to the number of disadvantaged and handicapped students served in the preceding fiscal year in vocational education programs offered by the recipient, and (c) the remainder shall be allotted based on criteria developed by the State that take into account proposed increases in serving disadvantaged and handicapped students but do not penalize recipients already serving an equitable number of such students. Local educational agencies are to use, to the extent feasible, community-based organizations of demonstrated effectiveness, in addition to other eligible recipients. The State board shall determine the criteria for the distribution of the remaining 25 percent of the funds (available for single working parents, those who have been primarily homemakers as adults, and criminal offenders in correctional institutions).

Criteria for services and activities for the handicapped and for the disadvantaged

Section 204 requires the State board to provide assurance that, with respect to the 75 percent of the funds allocated for the handicapped and disadvantaged, equal access will be provided to such individuals in recruitment, enrollment, placement, and in the full range of vocational programs available to non-handicapped and non-disadvantaged individuals. Assurances are also required that vocational programs will be provided to the handicapped in the least restrictive environment and will whenever appropriate be included as a component in the individualized education plan required by the Education of the Handicapped Act. With respect to programs for the handicapped and disadvantaged, each local educational agency is required to provide to students and parents information concerning the availability of vocational opportunities and

eligibilities requirements at least 1 year prior to the academic grade in which vocational programs are first generally available in the State.

Students desiring to enroll in a vocational program shall receive (1) an assessment of their interests, abilities, and special needs relative to completing successfully the vocational program, (2) special services designed to meet their needs, (3) guidance and counseling with respect to such special services, and (4) counseling services designed to facilitate their transition from school to employment and career opportunities.

TITLE III—VOCATIONAL EDUCATION PROGRAM IMPROVEMENT, INNOVATION, AND EXPANSION

Uses of funds

Section 301(a) authorizes States to use available funds for the improvement of vocational education programs, program expansion, introduction of new programs, programs to train workers in skilled occupations, exemplary and innovative programs, guidance and counseling, provision of inservice and preservice training, curriculum development, and acquisition of equipment and renovation of facilities. In addition, States shall use these funds for grants for inservice and preservice training, including special emphasis on the integration of handicapped and disadvantaged students in regular courses of vocational education. Section 301(b) authorizes States to use available funds for consumer and homemaking education programs.

Distribution of assistance

Section 302 requires the State board to establish criteria for the distribution of available funds to eligible recipients. The criteria shall include special emphasis on economically depressed urban and rural areas and on area vocational schools serving such areas. Not less than 30 percent of the funds available to a State under this title shall be used for services and activities at the secondary and postsecondary school level to train and retrain adults. Not less than 10 percent of the funds available to a State under this title shall be used for conducting industry education partnership training programs in high technology occupations.

Criteria for program improvement, innovation, and expansion

Section 303 requires the State board to develop criteria for the distribution of funds among eligible recipients under section 302. States are allowed to make use of community-based organizations, in addition to eligible recipients, when facilities are insufficient or when programs do not sufficiently address the needs of the disadvantaged. Projects must be of sufficient size, scope, and quality to give reasonable promise of meeting the needs of vocational students.

Criteria for industry education partnership training programs in high technology occupations

Section 304 authorizes grants for industry education partnership training programs in high technology occupations, with special em-

phasis to be placed on projects to train skilled workers needed to produce, install, operate, and maintain high technology equipment, systems, and processes. In order to obtain grants, eligible recipients are required to enter into an agreement that assures that not less than 50 percent of the costs will be provided from non-Federal sources; that not less than 50 percent of the non-Federal share will be provided by participating business concerns; that projects will be coordinated with projects assisted under title II; and that projects will be developed with the participation of the State council.

Criteria for adult programs and postsecondary programs for adults

Section 305 requires that available funds shall be used to provide, improve, and expand adult and postsecondary vocational education services and activities to train and retrain adults. Such services and activities are authorized to be developed in coordination with the State agency administering title III of the Job Training Partnership Act (JTPA). Services and activities may include additional training under title III of JTPA, programs for older Americans and displaced homemakers, services to adults in other vocational programs, and programs for persons who have completed and left high school and who are enrolled in qualifying study programs or who have already entered the labor market.

TITLE IV—NATIONAL PROGRAMS

PART A—RESEARCH

Research objectives

Section 401 declares that the purpose of this part is to (1) authorize research activities which contribute to improving access to vocational programs for persons with special needs, (2) improve the competitive process by which research projects are awarded, (3) encourage the dissemination of research results, and (4) authorize research activities which are readily applicable to vocational education and have practical application.

Research activities

Section 402 requires the Secretary through the National Institute of Education or any other appropriate division of the Department of Education to conduct applied research on problems in vocational education specifically related to this Act, including effective programs for persons with special needs; strategies for coordinating Federal, State, and local programs; involvement of the private sector; inclusion of basic skills in vocational programs; improvement of programs related to new technologies; and identification of institutional characteristics which improve the preparation of youth and adults for employment. The Secretary is required to operate a clearinghouse for information related to this Act and initiate leadership development and inservice training activities. The Secretary shall give preference under this part to public and private postsecondary institutions which have demonstrated competency in conducting research. Not more than 20 percent of the funds available under this part shall be awarded to any single recipient.

National assessment of vocational education programs assisted under this act

Section 403 requires the Secretary to conduct a national assessment of vocational education assisted under this Act, though independent studies and analysis by the National Institute of Education. The assessment shall include (1) delivery of services; (2) impact of this Act on modernizing the Nation's vocational education system; (3) resources needed to meet the Nation's job training needs; (4) coordination of vocational and job training programs among the States; (5) effectiveness of vocational programs on academic skills and employment opportunities; (6) coordination of vocational and postsecondary programs for the handicapped and disadvantaged; (7) skill and competency levels developed by the States with regard to the evaluation of program effectiveness, including programs for the handicapped; (8) effectiveness of programs for individuals with limited English proficiency; and (9) effectiveness of bilingual vocational training programs. The National Institute of Education shall consult with the appropriate committees of the Congress regarding the design and implementation of the assesment, and shall submit to the Congress interim reports in January and July of 1988, and a final report by January 1, 1989. Not more than 20 percent of the funds available under this part shall be expended for the assesment.

National comparison assessment

Section 404 requires the Secretary, through the National Institute of Education and as part of the National Assessment of Educational Progress, to identify vocational education students within the national sample of students who have attained 17 years of age in order to compare achievement in reading, writing, and arithmetic of vocational students with other students. Such comparisons shall be made by region of the country and by social and economic levels as well.

PART B—COOPERATIVE EMPLOYER EDUCATION PROGRAMS

Program authorized

Section 411 authorizes the Secretary to carry out programs and projects which support (1) model programs providing access for persons with special needs; (2) private and public cooperation in vocational education; (3) programs addressing national skill shortages, as designated by the Secretary in cooperation with the Secretaries of Labor, Defense, and Commerce; and (4) other activities the Secretary designates as related to the purposes of this Act. All such support shall be related to direct services for individuals and shall be capable of wide replication. The Secretary shall disseminate the results of these projects.

PART C—VOCATIONAL EDUCATION AND OCCUPATIONAL INFORMATION DATA SYSTEMS

Data systems authorized

Section 421(a) requires the Secretary to develop a national vocational education data reporting and accounting system, using uni-

form definitions and including information on vocational students, programs, program completers and leavers, staff, facilities, and expenditures. The Secretary shall endeavor to make the system comparable with the occupational information system developed under section 421(b), other data systems developed under the Job Training Partnership Act, and with information collected under the Education of the Handicapped Act. Any State receiving assistance under this Act shall cooperate with the Secretary in supplying required information. The Secretary shall use scientific sample surveys to obtain the required information, and shall update the system every 2 years. The Secretary may also conduct special studies on the enrollment of the disadvantaged and the handicapped in vocational programs and on similar topics as deemed appropriate. One-third of the funds available for this part shall be used for section 421(a) and two-thirds for section 421(b).

Section 421(b) establishes a National Occupational Information Coordinating Committee that shall use the funds available to it to improve (1) coordination of program and employment data, and (2) communication among administrators and planners of programs authorized by this Act and by the Job Training Partnership Act, at the Federal, State, and local levels. The Committee shall also develop and implement an occupational information system to meet information needs common to vocational education and employment training programs, conduct studies on the effect of technological change on necessary job skills, and provide assistance to State occupational information coordinating committees in implementing State occupational information systems.

Information base for vocational education data system

Section 422 requires the Secretary to provide adequate information on the access to vocational education programs by handicapped secondary students by the collection of such information through the vocational education data system, as required by this part and by the Vocational Education Act of 1963 (prior to its repeal by this Act), and such information shall be collected in the biennial survey. Data on the handicapped shall be in 6-digit detail as defined in "A Classification of Instructional Programs," and shall include information on total handicapped enrollment by program, by type of instructional setting, and by type of handicapping condition.

PART D—NATIONAL EMPLOYERS COUNCIL ON VOCATIONAL EDUCATION

Council established

Section 431 establishes the National Employers Council on Vocational Education, to consist of 21 members appointed by the President. Members primarily will be executives from for-profit business concerns. The Council will advise the President, the Congress, and the Secretary on: effectiveness of this Act, strategies for increasing cooperation between business and education, retraining of adult workers, and access to information on the market demand for labor skills. The Council may establish working groups on occupational competencies necessary for productive employment.

PART E—BILINGUAL VOCATIONAL TRAINING

Program authorized

Section 441 authorizes the Secretary to carry out a program of bilingual vocational training, either directly or by using grants or contracts. Payments may be used for training out of school youth or adults who are unemployed or underemployed, training bilingual vocational instructors, developing bilingual instructional materials, and disseminating information on successful bilingual programs.

PART F—GENERAL PROVISIONS

Distribution of assistance

Section 451 requries that of the funds available for title IV, 30 percent shall be available for part A, 33 percent for part B, 30 percent for part C, and 7 percent for part D.

TITLE V—GENERAL PROVISIONS

PART A—FEDERAL ADMINISTRATIVE PROVISIONS

Payments

Section 501 requires the Secretary to pay, from the allotment to each State, the Federal share of the costs of carrying out an approved State plan.

Federal share

Section 502 defines the Federal share to be (1) 50 percent of the cost of administration of the State plan, (2) 100 percent of the cost of programs for the disadvantaged and handicapped authorized by title II, except that the Federal share will be 50 percent whenever separate programs are provided for such individuals, (3) 100 percent of the cost of other programs authorized by title II, and (4) 50 percent of the cost of programs authorized by title III.

Maintenance of effort

Section 503 requires the Secretary to reduce payments under this Act to any State if the fiscal effort per student or the aggregate expenditure for vocational education in the State in the previous fiscal year was less than 95 percent of the amount in the second preceding fiscal year. Reductions shall be made in direct proportion to the amount by which a State fails to meet the required amount. The requirement may be waived, for 1 year only, in circumstances where the Secretary determines that the State has experienced an exceptional or uncontrollable decline in financial resources.

Withholding; judicial review

Section 504 requires the Secretary to withhold payments to any State whenever (1) the State plan or amendments thereto, or (2) the administration of the State plan or programs conducted under such plan no longer comply with the provisions of the Act. States may appeal any such decision of the Secretary.

Audits

Section 505 requires States to obtain financial and compliance audits for any funds received under this Act. Such audits shall be conducted at least every 2 years, and the results shall be made public on a timely basis. The audits shall meet the relevant standards established by the Comptroller General.

PART B—TRANSITIONAL AND CONFORMING PROVISIONS

Effective date

Section 521 declares that the provisions of this Act shall be effective for fiscal years beginning on or after October 1, 1984, except that the authority for the Secretary to make regulations and the States to submit State plans is effective upon enactment. The Secretary shall prescribe regulations not later than 90 days following enactment.

Transition provisions

Section 522 permits States and eligible recipients receiving funds under this Act, or under the Vocational Education Act of 1963, to expend such funds to conduct planning and other activities deemed necessary for the orderly transition to the operation of programs under this Act. On the effective date of this Act, the personnel, property, and records of the National Occupational Information Coordinating Committee established under the Vocational Education Act of 1963 shall be transferred to the similar Committee established under this Act.

Conforming amendments

Section 523 repeals the Vocational Education Act of 1963, and makes the necessary changes in references to this Act in other education and employment training legislation.

TITLE VI—NATIONAL SUMMIT CONFERENCE ON EDUCATION

Short title; findings .

Section 601 states that this title may be cited as the "National Summit Conference on Education Act of 1984." The Congress finds that the Nation's educational institutions must provide for the development of a better trained and educated workforce necessary for increasing economic competition, and that a new national educational policy must be considered to address the problems and deficiencies of American elementary and secondary education. Therefore, there should be a National Summit Conference on Education, and any conference established by the Department of Education should be complementary to the National Summit Conference.

Authorization of appropriations

Section 602 authorizes to be appropriated $500,000 for the purpose of conducting the Conference authorized under this title.

Participants

Section 603 provides a list of the types of participants to be selected for the Conference. No more than 200 participants shall be

selected, and there shall be racial, political, and geographic balance among them.

Selection of participants

Section 604 requires that participants be chosen from among nominees submitted to the Executive Committee established under section 605. A list of organizations is provided that may submit nominees to the Committee.

Executive committee

Section 605 establishes the Executive Committee, to consist of twelve members—two appointed by the President, two by the Speaker of the House, two by the Majority Leader of the Senate, and six by the Governors of the States. The Committee shall be responsible for selecting no less than 30 organizations which will supply a list of nominees for participation in the Conference, and for specifying the number of nominees to be provided by each organization.

Staff

Section 606 provides for the employment of staff by the Committee.

Procedure

Section 607 establishes the procedures for the Conference. The Committee shall select the site and determine the duration of the Conference, not to exceed six days. A written record of recommendations of the Conference shall be transmitted to the President, the Congress, and the States not later than October 15, 1985.

Agenda of the conference

Section 608 requires the Committee to develop the agenda for the Conference, using data supplied by the Secretary of Education and by the States. The agenda shall take into account the objective of the Conference to create national bipartisan support for education at all levels of government.

TITLE VII—WOMEN'S EDUCATION EQUITY PROGRAM AUTHORIZATION

Section 701 amends section 938 of the women's Educational Equity Act of 1978 to provide an authorization of appropriations of $6,200,000 for fiscal year 1985, and such sums as may be necessary for each of the four succeeding fiscal years.

Section 702 amends section 937 of the Women's Educational Equity Act of 1978 to continue the requirement for the submission of a report every other year beginning in 1986. (This report is required under current law, and sets forth the programs and activities assisted under the Act. It is to be submitted to the President and the Congress by the Secretary.)

IX. ADDITIONAL AND SUPPLEMENTAL VIEWS

ADDITIONAL VIEWS OF SENATOR QUAYLE, SENATOR DENTON, SENATOR EAST, SENATOR GRASSLEY, SENATOR NICKLES AND SENATOR THURMOND

We voted to report S. 2341, The Vocational Education Act of 1984, because the bill makes some substantial improvements over existing law. However, this bill reverts to a degree of prescriptiveness that many of us thought we left behind. Surely we can specify the purposes of federal legislation and leave the States with reasonable discretion on how to achieve them.

SUPPORT OF VOCATIONAL EDUCATION

We recognize that vocational education fulfills a unique role in the education community by teaching the skills—both basic and job related—which are realistic in the light of actual or anticipated opportunities for gainful employment. Vocational education should prepare students for a lifetime of productive employment; they should not need a second chance under The Job Training Partnership Act.

BACKGROUND

During this reauthorization, we are reassessing the Federal role in vocational education. As we redefine the Federal role we should build on the strengths and accomplishments of the current vocational education system, taking into account national priorities.

Historically, Federal support for vocational education has been a cornerstone upon which the existing vocational education system was built. First, the Morrill Act of 1862 established land-grant colleges, thereby recognizing vocational education as an essential component of our education and training system. In 1917, vocational education was greatly expanded and developed by the Smith-Hughes Act which increased the level of Federal and State funds available for vocational education. The Vocational Education Act of 1965 restructured the vocational education system and established the goal of improving access to underserved populations.

All the goals set out in earlier legislation have not been fully achieved, but today we have a mature vocational education system with strong State and local support. States and localities contribute about $7 billion annually for vocational education, which is about 90 percent of the total funds available. The Federal share, about 10 percent, or $700 million, is dwarfed by comparison. Finally, the precarious health of our economy is another important consideration in this reauthorization.

The collective impact of these factors leads us to conclude that funds appropriated for vocational education should not duplicate

State and local efforts. There are too few federal dollars to meet all our competing needs. Scarce dollars must serve purposes which are otherwise unmet.

Vocational education has long been viewed as an alternative to the college-bound educational trac. To be an acceptable alternative, it must offer opportunities of comparable quality and it must have a unique purpose. If not, we will have a discriminatory and redundant two-track system.

It is against this background that we are considering the Federal role in vocational education: a tradition of Federal leadership, strong State and local support, and tight fiscal constraints.

CONSENSUS ON FEDERAL ROLE

As a result of these considerations a consensus has developed in Congress that the Federal role should be to assist States improve the quality of vocational education to make it more responsive to the needs of the labor market. A second responsibility of the Federal government is to improve access to vocational education for the underserved. (And the underserved should also have access to programs which are of high quality and relevant to the needs of employers.) A third objective is to meet the training and retraining needs of adult workers.

There are many different ways of translating these broadly stated goals into a concrete plan for redirecting the Federal role. The challenge is to maintain the Federal leadership role yet avoid unnecessary intrusion into State and local prerogatives. Also, any Federal legislation must maximize the impact of limited funds.

EXCESSIVE PRESCRIPTIVENESS OF S. 2341

S. 2341 clarifies the basic purposes of Federal aid to vocational education—program improvement and ensuring access to traditionally underserved groups. The bill also takes modest steps toward making programs more responsive to labor market needs by providing for program evaluation and creating a substantial role for the business sector.

While we applaud these aspects of the bill, we must also express our reservations. S. 2341 is excessively prescriptive, leaving too little room for States to adapt their programs to their own needs.

1. No flexibility in target populations

Not every State has the same demographic or economic problems, yet the bill prescribes the level of funds that each State must spend on each targeted population, including the handicapped, the disadvantaged, homemakers and single parents, adults, and offenders.

It seems to us that, while the Federal government should target funds to groups in greatest need, we must also recognize that those needs differ from State to State. Federal targeting is not incompatible with State flexibility. We can achieve this as long as that flexibility is limited to making adjustments among groups with serious labor market problems.

2. Separate funds for program improvement and target populations

The structure of S. 2341 makes an artificial distinction between program improvement and servicing special populations. This is done by requiring that 65% of the total State grant must be used for trargeted populations while the remainder is for program improvement, administrative costs, and State advisory councils. About 33% of the State grant is dedicated to program improvement. We believe the best service for special populations is a proper emphasis on the need for program improvement consistent with ensuring access for populations with special needs.

(The funds available for Titles II and III are equally divided. All of the funds for Title II are for handicapped, disadvantaged, prisoners, homemakers and single parents. In Title III, 30% is for adult workers and the remainder is for program improvement.)

Attached is a table listing the components of the State grant.

COMPLEX ALLOCATION OF FUNDS

In addition to this multitude of setasides, the manner in which funds are distributed is complex. There are three ways of distributing the funds within States: In addition to a mandatory substate allocation formula for the handicapped and disadvantaged setasides, there are substate allocation criteria for the remaining special population setasides in Title II and another set of criteria for program improvement funds in Title III.

Overriding these setasides is a provision that 80% of the total State grant (excluding the amount for administration) be passed through to local educational agencies and post-secondary institutions. Another requirement is that the 80% must include all the funds for the disadvantaged and the handicapped as a mandatory pass-through to localities.

While we support the underlying philosophy of S. 2341, we must also express our concern and dismay at the complexity of the manner chosen to achieve the goals of the Act.

JEREMIAH DENTON.
JOHN P. EAST.
CHARLES E. GRASSLEY.
DON NICKLES.
DAN QUAYLE.
STROM THURMOND.

Components of the State grant

	Percent
1. Administration (not more than 6 percent of total State grant)	6.00
2. State councils (1 percent of total State grant)	1.00
3. Disadvantaged (50 percent of title II which is 46.5 percent of State grant)	23.26
4. Handicapped (25 percent of title II which is 46.5 percent of State grant)	11.62
5. Homemakers and single parents (23 percent of title II which is 46.5 percent of State grant)	10.70
6. Offenders (2 percent of title II which is 46.5 percent of State grant)	.93
7. Adult workers (not less than 30 percent of title III which is 46.5 percent of State grant)	13.95
8. (Industry-education partnerships) (not less than 10 percent of title III—up to 10 percent may be credited against the adult worker setaside)	(4.65)
9. Program improvement (balance of title III—minus adult worker and industry-education partnerships setasides)	32.55
Total	100.00

SUPPLEMENTAL VIEWS OF SENATOR DENTON, SENATOR GRASSLEY AND SENATOR QUAYLE

We want to highlight the fact that there are still problems in the substate distribution formula which need to be addressed when the bill is considered by the Senate. As originally amended by the Hatch-Stafford-Pell amendment, the bill would have had a three part formula for the substate distribution of the funds set aside for the handicapped and disadvantaged. The three factors in the formula were equally weighted and would have been:

1. The number of economically disadvantaged students;
2. The number of disadvantaged (economically or academically) and handicapped served in vocational education programs; and
3. The number of disadvantaged (economically or academically) and handicapped students proposed to be served in vocational education programs.

Senator Quayle offered an amendment in committee, which was accepted by voice vote, to change the third part of the distribution formula. As originally drafted the third factor could have had an adverse impact on the distribution of funds within the States. First, it could have penalized areas with declining populations because distribution was based on additional numbers—instead of increased percentages—served.

Secondly, although this factor would give schools an incentive to increase services to the disadvantaged and handicapped, it would also have had the perverse effect of not giving any share of these funds to schools which are already fulfilling the vocational education needs of the handicapped and disadvantaged.

The amendment was designed to overcome the first defect by giving States the option of using either an increase in number or an increase in percentage of disadvantaged or handicapped served. It deals with the second effect by specifying that the formula shall be constructed in such a way that that areas that are already providing equitable services to the disadvantaged and handicapped are not excluded from a fair share of funds distributed under this factor.

The Committee recognized the need to deal with the problems to which the amendment was directed and therefore accepted it. However, discussion in the Committee also acknowledged the need for a further clarifying amendment to deal adequately with the issues.

JEREMIAH DENTON.
CHARLES E. GRASSLEY.
DAN QUAYLE.

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